GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1534
ANSWERED ON:24.11.2016
Allocation of Coal Blocks to Private Companies
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Will the Minister of COAL be pleased to state:

(a) the details ofcoal blocks auctioned/ allocated to public and private sector companies during the first and subsequent phases of coal block allocation separately for public and private sector-wise; and the number ofcases pending in the courts post auctioning;
(b) the details of the coal blocks allocated to private companies under command areas of Bharat Coking Coal Limited (BCCL), Eastern Coalfields Limited (ECL) and Central Coalfields Limited(CCL);
(c) whether the coal companies to whom coal blocks have been allocated have set up their plants and started quarrying/ production ofcoal, if so, the details thereof and ifnot, the reasons therefor, company-wise both for public and private sectors;
(d) the company-wise details of the coal produced/quarried and transported by these companies, so far;
(e) whether any complaints regarding sale of such coal to some coal washeries and in open market has been received ifso, the details thereofduring the last three years and the current year, company-wise and the action taken by the Government against such companies along with the remedial measures taken in this regard; and
(f) the revenue earned by the Union Government and the State Governments including Jharkhand through the auctioning of coal mines, State/ UT-wise?

Answer

MINISTER OF STATE (I/C) FOR COAL, POWER, NEW & RENEWABLE ENERGY AND MINES
(SHRI PIYUSH GOYAL)

(a)& (b):Allocation of 204 coal blocks/mines cancelled by Hon'ble Supreme Court are made under the provisions of the Coal Mines (Special Provisions) Act, 2015 and the Rules made thereunder. The allocation is made by way of auction to Private/Government companies as well as allotment to Government companies. So far, 83 coal mines/blocks have been allocated under the said Act. The command area of Bharat Coking Coal Limited (BCCL), Eastern Coalfileds Limited (ECL) and Central Coalfields Limited (CCL) are in the State of Jharkhand and West Bengal. State wise details of the 83 coal mines / blocks allocated under the said Act is at the Annexure I.
Number of cases pending in the courts in respect of coal mines / blocks auctioned and allotted is 23 and 2 respectively.

(c)& (d):In case of auction of coal mines, investment qualification norms are prescribed in Rule 10 (4) (d) of the Coal Mines (Special Provisions) Rules, 2014 made under the provisions of Coal Mines (Special Provisions) Act, 2015, which provides that a person who is eligible under sub-section (3) of section 4 of the Act shall also meet the following eligibility criteria, namely:−
(i) a company eligible to bid for any Schedule II coal mine under sub-section (3) of Section 4 of the Act shall have incurred an expenditure of not less than eighty per cent of the total project cost of the unit or phase of the specified end use plant for which the company is bidding,

(ii) a company eligible to bid for any Schedule III coal mine under sub-section (3) of Section 4 of the Act shall have incurred an expenditure of not less than sixty per cent of the total project cost of the unit or phase of the specified end use plant for which the company is bidding.

In case of allotment of coal mines in the first phase to Government companies, the requirement of coal for power generation capacity coming up in the State till the year 2017 was one of the evaluation criteria for the applicants.
Out of the 17 Schedule II coal mines auctioned under the provisions of the Coal Mines (Special Provisions) Act, 2015 which were operational before cancellation by the Hon'ble Supreme Court, mining operations have commenced / mine opening permission granted in 10 Schedule II coal mines.Of the coal mines allotted to Government companies, mining operations have commenced in 2 Schedule II coal mines. In addition, 1 Schedule III coal mine is also operational. Rest of the Schedule II coal mines are in the process of starting mining operations after obtaining necessary statutory clearances as well as appointment of mining contractor. Almost all the clearances at the level of the Central Government have been granted for commencement of mining operations. In many cases, the matter of appointment of Mine Developer & Operator is sub-judice. Schedule III coal mines are expected to commence mining only in the next 2-3 years as they were not operational at the time of the allocation.

Since commencement of mining operations, 19.341 Million Tonnes (provisional) of coal have been produced from these coal mines subsequent to allocation under the said Act. The company wise details of coal produced is at Annexure II.

(e): No such complaint has been received.
(f): The revenue already generated till October, 2016 from the allocation of 83 coal mines under the provisions of the Coal Mines (Special Provisions) Act, 2015 is Rs. 2,779.36 Crores(excluding Royalty, Cess and Taxes) which is being deposited with the coal bearing State concerned including Jharkhand.
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